

Illinois Retailers' Occupation Tax is imposed only upon sales tangible personal property and does not apply to sales of intangibles. See 86 Ill. Adm. Code 130.101. (This is a GIL.)

October 22, 2007

Dear Xxxxx:

This letter is in response to your letter dated July 28, 2007, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.ILTAX.com](http://www.ILTAX.com) to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

My client is a sole proprietor that will have a concert at a UNIVERSITY. The following is additional information regarding the business:

1. Is a sole proprietor, whose residency is in STATE.
2. Organizes and hires musicians to perform music outside the state of STATE.
3. Will pay a theatre and equipment rental fee to the University.
4. Earns income from concert tickets sales.
5. Promotes Music to the students and the general public.

We called your office and were advised to mail a written request for information:

1. Is the sole proprietorship subject to Sales and Use taxes in Illinois for concert ticket sales?
2. Are there any other taxes that would have to be paid on these concert ticket sales?

If you have any questions, please call me.

**DEPARTMENT'S RESPONSE**

This letter concerns the applicability of any sales or excise taxes you may incur in Illinois. The Department's Income Tax Division of our office will address any Illinois Income Tax liabilities you may incur in a separate letter. Illinois Retailers' Occupation Tax is imposed only upon tangible personal property. See 86 Ill. Adm. Code 130.101. The sales of admission tickets to concerts are the sales of intangibles. Therefore, no Retailers' Occupation Tax liability accrues in such situations. You may wish to contact the University to see if there are any special fees or other liabilities you may incur that are not administered by the Illinois Department of Revenue.

If you require additional information, please visit our website at [www.ILTAX.com](http://www.ILTAX.com) or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Very truly yours,

Martha P. Mote  
Associate Counsel

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